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Gas tax is a bargain in disguise

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By Peter Dannenberg Vermonters worry about a planned gas tax increase to fix and maintain local roads and bridges.

They should. Skyrocketing fuel prices make tanking up almost as feared as a trip to the dentist.

But when dealing with dollars, it makes sense to look deeper.

The proposed jump is 4 cents per gallon of gas and 6 cents per gallon of diesel. More gas is bought than diesel, but to be fair, let's make the average a nickel a gallon.

Many Vermonters commute by car. Let's guess an average round-trip is 25 miles. So if your car gets 25 miles per gallon, you'll pay a nickel more a day. What if you do that 365 days a year?

You'll have to shell out another \$18.25 a year. Like you, I don't want to spend \$18.25, unless I get my money's worth.

For three years, federal highway funds will send Vermont about \$73 for every \$18.25 we put up as state matching funds. And if we don't use it, we lose it.

Sen. Jim Jeffords got us this one-time break. Since he is retiring from the U.S. Senate, it could be a nippy day in Hades before we get another chance like this. We need this money -- tens of millions -- to fix our roads. Almost half of them are rated poor or worse.

Hitting just one pothole hard at night can set you back more than \$100 in car repairs. That's five times as much as a whole year's nickel tax.

But even better -- estimates say more than a third of the matching tax will be paid by visitors who drive in Vermont. So the \$18.25 a year breaks down to \$12.20 from Vermonters and \$6.05 from down country.

If we pay the match from the property tax instead, it would come from people who own land in Vermont, not from those who use our roads most.

With the nickel tax, we get \$91.25 in road repairs for \$12.20. If we don't come up with the match, some other state will get the federal money and we'll still have to fix the roads sometime.

But let's say you, like me, don't even want to ante up \$12.20 a year, if you can get out of it. Maybe you can do better. Can you carpool, take a bus, telecommute or just not drive for 10 days out of that 365? If a gallon of gas costs \$2.50, you just saved \$25, less your bus fare or what you give your neighbor for letting you ride along. Now you're making money. And it's after-tax savings.

The more you do it, the more you save, up to 365 days a year. (More in leap years!) Plus the air stays a little cleaner, your car lasts longer and the roads wear out a little slower.

If a store put a \$91.25 item that I need on sale for \$12.20, I'd rush out to buy it before the sale ends. I don't want to pay an extra nickel, but I'd be a fool to let this bargain get away.

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